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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91217562
Party	Plaintiff Uncle Sam GmbH
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial No.: 86/061,950

Mark: UNCLE SAM'S MISGUIDED CHILDREN

Published for Opposition in the *Official Gazette*: January 28, 2014

UNCLE SAM, GMBH	)	
	)	
Opposer	)	
	)	
v.	)	OPPOSITION NO. <a href="#">91217562</a>
	)	
JENNIFER ZVITCO	)	
	)	
Applicant	)	
	)	

**REPLY IN SUPPORT OF MOTION TO AMEND NOTICE OF OPPOSITION,  
OR, IN THE ALTERNATIVE,  
OPPOSITION TO MOTION TO DISMISS  
FIRST AMENDED NOTICE OF OPPOSITION**

Uncle Sam, GmbH (“Opposer” or “Uncle Sam”) hereby files this reply memorandum in support of its earlier-filed Motion to Amend Notice of Opposition, which Opposer also intends to serve as its Opposition to the Motion to Dismiss the First Amended Notice of Opposition filed by applicant Jennifer Zvitco (“Applicant” or “Zvitco”).

**BACKGROUND**

On July 27, 2014, Opposer filed a Notice of Opposition, citing Section 2(d) of the Trademark Act as the sole basis for such opposition. *See* Dock. No. 1. In lieu of filing an answer to the Notice of Opposition, on September 8, 2014, Applicant filed a Motion to Dismiss pursuant to Fed.R.Civ.Pro. 12(b)(6). *See* Dock. No. 6. Opposer did not file an opposition to the Motion to Dismiss styled as such, but instead, on October 3, 2014, filed

a Motion to Amend the Notice of Opposition (the “Motion to Amend”) and a First Amended Notice of Opposition. *See* Dock. Nos. 8 and 9. Applicant subsequently filed an Opposition to Motion to Amend Notice of Opposition Or, In The Alternative, Motion To Dismiss First Amended Notice of Opposition (the “Opposition/Cross-Motion to Dismiss”). *See* Dock. No. 10. Opposer now files this reply memorandum in support of the Motion to Amend and in opposition to the Opposition/Cross-Motion to Dismiss.<sup>1</sup>

## **LEGAL STANDARD**

Two standards govern consideration of the parties’ pleadings: the standard to be applied to Opposer’s Motion to Amend, and the standard to be applied to Applicant’s Opposition/Cross-Motion to Dismiss.

### **I. The Standard Governing Opposer’s Motion To Amend**

As to the Motion to Amend, any opposer may amend a notice of opposition once as a matter of course within 21 days after service of a motion to dismiss under Rule 12(b). *See* Fed. R. Civ. P. 15(a)(1)(B); 37 CFR § 2.107; *TBMP* § 507.02. Indeed, such amendments are permitted even without the filing of an accompanying motion for leave to amend. *TBMP* § 507.02.

### **II. Opposer’s Motion To Amend Was Properly Filed, And The Amended Pleading Must Be Accepted As Opposer’s Operative Pleading**

Here, Applicant’s original Motion to Dismiss was filed on September 8, 2014, and was served upon Opposer by first-class mail, thus implicating 37 CFR § 2.119(c) (“Whenever a party to an inter partes proceeding before the Board is required to take some action within a prescribed period of time after the service of a paper upon that party

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<sup>1</sup> Opposer acknowledges the Board’s statement in its *Trademark Trial and Appeal Board Manual of Procedure* (“*TBMP*”) that “[t]he filing of reply briefs is discouraged,” but asks the Board’s forbearance of same, as the content of the instant reply is not simply “a mere reargument of the points made in the main brief.” *TBMP* § 502.02(b).

by another party to the proceeding, and the paper is served by first-class mail...the time for taking action is enlarged by 5 days”). Opposer thus had a total of 26 days following service of the original Motion to Dismiss, or until October 4, 2014, to file its First Amended Notice of Opposition as a matter of right.<sup>2</sup> Applicant’s First Amended Notice of Opposition was timely filed on October 3, 2014. *See* Dock. No. 9.

Applicant’s cited authority is inapplicable, as it concerns attempts to amend complaints where such attempts were made under other provisions of Fed. R. Civ. P. 15 later in the pertinent proceedings, when the acceptance of such amendments is discretionary with the pertinent court; Applicant’s cited authority is *Bethany Pharmacal Co. v. QVC, Inc.*, 241 F.3d 854, 861 (7th Cir. 2001) “[Plaintiff] did not seek to add its promissory estoppel claim until after the close of discovery and after [Defendant] had filed its motion for summary judgment”; *Perrian v. O’Grady*, 958 F.2d 192, 194 (7th Cir. 1992) (Plaintiff “inexcusably waited until shortly before the trial was to begin to add new defendants,” as it “filed the second amended complaint 16 months after the initial filing of the complaint”); *Foman v. Davis*, 371 U.S. 178, 179, 83 S. Ct. 227, 228, 9 L. Ed. 2d 222 (1962) (disallowance of motion to amend complaint filed along with motion to vacate the judgment); and *Valdan Sportswear v. Montgomery Ward & Co.*, 591 F. Supp. 1188, 1190 (S.D.N.Y. 1984) (disallowance of motion to amend complaint due in part to amendment being made after extensive discovery) (emphasis added).

Even after the time period for amending as a matter of course is concluded, it is the longstanding policy of the Board to grant leave liberally to amend pleadings at any stage of the proceeding when justice so requires, unless entry of the proposed amendment

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<sup>2</sup> Since October 4, 2014 fell on a Saturday, Applicant actually had until Monday, October 6 to file the amended notice of opposition. *See* 37 CFR § 2.196.

would violate settled law or be prejudicial to the rights of the adverse party. *See, e.g., Commodore Electronics Ltd. v. CBM Kabushiki Kaisha* 26 USPQ2d 1503 (TTAB 1993); *United States Olympic Committee v. O-M Bread Inc.*, 26 USPQ2d 1221 (TTAB 1993).

Here, Applicant does not and cannot claim that acceptance of the First Amended Notice of Opposition would violate settled law or would prejudice Applicant; instead, Applicant complains about “the paucity of substantive new additions,” and gripes that “no new claims were even pled,” going so far as to note that Opposer’s amended pleading adds only “approximately 105 words to its Complaint – three sentences, three clauses, and the words ‘in fact.’” Opposition/Cross-Motion to Dismiss, pp. 1-2, 4. Applicant cites no authority for the notions that an amended pleading must put forward a new claim or must add a certain number of words in order to be permissible, and any such standard would be contrary to the rules governing oppositions; *see* 37 CFR § 2.104 (“The opposition must set forth a **short and plain statement** showing why the opposer believes he, she or it would be damaged by the registration of the opposed mark and state the grounds for opposition”)(emphasis added); *see also Fair Indigo LLC*, 85 U.S.P.Q.2d 1536 (P.T.O. Nov. 21, 2007) (“As is often stated, the purpose of notice pleading is to obviate the need to allege particular ‘magic words’”).

Applicant also characterizes Opposer’s decision to file the First Amended Notice of Opposition as a “risky gambit,” and a “procedural ruse.” Opposition/Cross-Motion to Dismiss, pp. 1, 5. Those characterizations, however, suggest a lack of familiarity with Board practice, since Opposer is following a well-trodden path. “Thus, the party in position of plaintiff in a proceeding before the Board ordinarily can respond to a motion to dismiss by filing an amended complaint.” *Caymus Vineyards v. Caymus Medical, Inc.*,

2013 WL 6665451, at \*1 (July 12, 2013). “Thus, plaintiffs to proceedings before the Board ordinarily can, and often do, respond to a motion to dismiss by filing, inter alia, an amended complaint.” *TBMP* § 503.03. Opposer’s filing is not a “ruse” or a “risky gambit,” but common practice.

Moreover, the changes made in Opposer’s First Amended Notice of Opposition reflect Opposer’s good-faith attempt to clarify for Applicant the nature and extent of Opposer’s trademark rights and the basis for Opposer’s opposition to registration. For instance, both Applicant’s original Motion to Dismiss and its Opposition/Cross-Motion to Dismiss devote extensive discussion to Applicant’s (false) allegation that “There is no likelihood of confusion because [opposer’s] mark is only used in Germany and/or Europe.” *See* Motion to Dismiss, pp. 8-10, and Opposition/Cross-Motion to Dismiss, pp. 13-15. Opposer is well aware that such an allegation would be better suited to a counterclaim for cancellation of Opposer’s registration, not a motion to dismiss, but Opposer nonetheless tried to disabuse Applicant of its misunderstanding by adding the following two sentences in the First Amended Notice of Opposition:

Opposer most recently submitted a combined Affidavit of Continued Use and Application for Renewal, together with specimens demonstrating use in the U.S. of the Opposer’s UNCLE SAM mark on Opposer’s goods, on April 3, 2012. This Affidavit of Continued Use and Application for Renewal was accepted and acknowledged by the U.S. PTO on April 24, 2012.

First Amended Notice of Opposition, p. 2. Applicant’s Opposition/Cross-Motion to Dismiss ignores this addition and continues to devote multiple pages to the claim that Opposer is not using its mark in the U.S.

Opposer also understands that in the context of a motion to dismiss, “The Board will not take as true any allegations contradicting facts in Office records.” *Compagnie Gervais Danone*, 89 U.S.P.Q.2d 1251 (P.T.O. Jan. 5, 2009). Nevertheless, Opposer

wanted to amend the original Notice of Opposition to allege explicitly the fact that Opposer uses its UNCLE SAM trademark in the U.S. and to make clear that this fact already is reflected in the PTO's records, in contradiction to the claims made in the original Motion to Dismiss and now again in the Opposition/Cross-Motion to Dismiss. Opposer's filing of the First Amended Notice of Opposition thus was not a "procedural ruse," but a clarification of its earlier filing.

Given that Opposer's First Amended Notice of Opposition was timely filed and thus must be accepted as a matter of course, and despite the irrelevant and incorrect allegations made by Applicant, the First Amended Notice of Opposition should be accepted as Opposer's operative pleading in the instant matter.

### **III. The Standard Governing Applicant's Cross-Motion To Dismiss**

"For purposes of determining whether a valid ground exists for seeking to oppose registration, all of [opposer's] well-pleaded allegations must be accepted as true, and the notice of opposition must be construed in the light most favorable to [opposer] as the non-movant." *Compagnie Gervais Danone*, 89 U.S.P.Q.2d 1251 (P.T.O. Jan. 5, 2009), citing *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 988 F.2d 1157, 26 USPQ2d 1038 (Fed. Cir. 1993) and 5A Wright & Miller, *Federal Practice And Procedure: Civil 2d* § 1357 (1990). "To withstand a motion to dismiss for failure to state a claim upon which relief can be granted, a plaintiff need only allege sufficient factual content that, if proved, would allow the Board to conclude, or to draw a reasonable inference, that (1) the plaintiff has standing to maintain the proceeding, and (2) a valid ground exists for opposing or cancelling the mark." *Caymus Vineyards v. Caymus Medical, Inc.*, 107 USPQ2d 1519 (TTAB 2013), citing *Doyle v. Al Johnson's Swedish*

*Restaurant & Butik Inc.*, 101 USPQ2d 1780 (TTAB 2012), and *TBMP* § 503.02 (3d ed. rev. 2012). Specifically, a complaint “must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Id.*, citing *Ashcroft v. Iqbal*, 556 U.S. 662, 129 S.Ct. 1937, 1949-50 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). Under the principles stated above, Opposer’s First Amended Notice of Opposition must be seen as sufficiently stating a claim against registration of Applicant’s mark.

#### **IV. The Cross-Motion To Dismiss Must Be Denied, As Opposer’s First Amended Complaint Properly States A Claim For Relief**

Although Applicant’s Opposition/Cross-motion to Dismiss is somewhat repetitious and disjointed, it appears that Applicant is making four arguments as to why the First Amended Notice of Opposition should be dismissed, summarized here as follows: (i) a likelihood of confusion has not been properly alleged under 15 U.S.C. § 1052(d), and a false suggestion of connection also has not been properly alleged under 15 U.S.C. § 1052(a) (*see* Opposition/Cross-Motion to Dismiss, p. 10); (ii) the term UNCLE SAM is not susceptible to protection as a trademark because that term is “not distinct” and because that term’s use by Opposer “is merely an adoption of the national legend” (*Id.*, pp. 10-13); (iii) no likelihood of confusion exists, because Opposer’s mark “is only used in Germany and/or Europe” (*Id.*, pp. 13-15); and (iv) the claim for false suggestion of connection under 15 U.S.C. § 1052(a) is deficient “because Opposer does not represent a person (an actual Uncle named Sam) or institution (the United States government) for which a suggestion of connection exists” (*Id.*, pp. 15-17). None of these four arguments overcomes the various strong presumptions that operate in favor of accepting Opposer’s pleading.



**(a) Opposer States A Valid Claim Under 15 U.S.C. § 1052(d)**

Applicant's argument concerning the sufficiency of Opposer's pleading of a claim for likelihood of confusion is puzzling. Applicant states that, "To state a proper claim for confusion, Opposer must allege a valid 'priority of use' and that 'likelihood of confusion' would result." Opposition/Cross-Motion to Dismiss, p. 5. True enough, but Applicant does not deny that Opposer has in fact made such allegations; *see, e.g.*, ¶ 5 ("Opposer thus has priority rights superior to any possessed by Applicant") and ¶ 10 (Applicant's mark is likely "to cause confusion, to cause mistake, and to deceive the public") of the First Amended Notice of Opposition.

Instead, the entirety of Applicant's argument is as follows: "While likelihood of confusion may require factual development, the Board can rule immediately that [Opposer] has no superior claim to use the name or character of 'Uncle Sam' that would prevent the registration of the unique and fanciful 'Uncle Sam's Misguided Children.'"<sup>3</sup> Opposition/Cross-Motion to Dismiss, p. 10. The Board, of course, can rule no such thing at this early point in the proceeding; any claim that requires "factual development" is inappropriate for resolution via a motion to dismiss, given that all of the non-movant's factual allegations must be taken to be true. *Compagnie Gervais Danone*, 89 U.S.P.Q.2d 1251. Applicant's argument is tissue-thin and specious, and it should be rejected.

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<sup>3</sup> Applicant's trademark – UNCLE SAM'S MISGUIDED CHILDREN – is not in fact "unique," but is a phrase that has long been used by others as a humorous 'backronym,' *i.e.*, a phrase formed by taking an existing word already in common use and using the letters in that word as the initial letters of the words in the phrase, *e.g.*, a claim that the word FORD stands for "Fix Or Repair Daily" in the context of automobiles. Applicant's UNCLE SAM'S MISGUIDED CHILDREN mark is a (self-mocking, usually) backronym for U.S.M.C., the United States Marine Corps.

Applicant's other argument, that Opposer has not properly pleaded a claim for false suggestion of connection under 15 U.S.C. § 1052(a), is addressed in detail in subsection (d) below.

**(b) The Term UNCLE SAM Is Protectible As A Trademark**

Reduced to its essence, Applicant's second basis for dismissal is as follows:

Regardless of whether [Opposer's] marks have any independent strength or resonance in Germany or other countries, they are as a matter of law not capable of protection in the United States. Courts will not confer the advantage to one business alone of a word or phrase of very common usage, or one imbued with symbolic importance.

Opposition/Cross-Motion to Amend, p. 6. This argument fails to form a proper basis for dismissal for two reasons.

Setting aside Applicant's incorrect generalizations concerning "courts" and U.S. trademark law, Opposer notes first that its marks not only are "capable of protection in the United States," but have in fact already enjoy such protection in the form of multiple active U.S. trademark registrations, as is noted in the First Amended Notice of Opposition, ¶¶ 2-4. Those registrations constitute *prima facie* evidence of the validity of Opposer's trademarks: "Any registration...of a mark registered on the principal register provided by this chapter and owned by a party to an action shall be admissible in evidence and shall be *prima facie* evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the registration subject to any conditions or limitations stated therein [...]." 15 U.S.C. § 1115(a). Applicant cannot overcome such evidentiary presumptions by making an unsubstantiated assertion in the context of a motion to dismiss.

Applicant's argument concerning the validity of Opposer's UNCLE SAM trademark also fails because a motion to dismiss is the wrong context in which to challenge such validity – Applicant is attempting to use its Motion to Dismiss to argue that Opposer's registrations should not have been granted, but such arguments must instead be made in the context of a counterclaim for cancellation or a petition to cancel. *See TBMP* § 313.01 (“The Board cannot entertain an attack upon the validity of a registration pleaded by a plaintiff unless the defendant timely files a counterclaim or a separate petition to cancel the registration”); *see also Skincode AG v. Skin Concept AG*, 109 USPQ2d 1325, 1329 n.5 (TTAB 2013) (absent a counterclaim, applicant's argument regarding the possible connotation of the Swiss flag was “an impermissible collateral attack” on opposer's pleaded registration); *Top Tobacco LP v. North Atlantic Operating Co.*, 101 USPQ2d 1163, 1174 n.17 (TTAB 2011) (plaintiff's mark was registered without a disclaimer of the term at issue or a claim of acquired distinctiveness, and there was no counterclaim, so Board could not entertain any attack on the term as merely descriptive); and *Fort James Operating Co. v. Royal Paper Converting Inc.*, 83 USPQ2d 1624, 1626 n.1 (TTAB 2007) (applicant's contentions that opposer's marks were functional, non-distinctive, and lacked source-indicating significance constituted an impermissible collateral attack on opposer's pleaded registrations and could not be considered absent a counterclaim for cancellation).

In light of the presumptions that attach to Opposer's pleaded registrations, and given the fact that the matter presently before the Board is a motion to dismiss, Applicant's improper collateral attack on the validity of Opposer's UNCLE SAM mark must be rejected as being at best premature.

**(c) Opposer's UNCLE SAM Mark Is In Fact Used In The United States**

Applicant alleges that Opposer is “a clothing company that operates only in Germany and/or Europe,” and further claims that “It is also without question that Uncle Sam GmbH has only a German-language website and uses channels of trade only within Europe (or Germany).” Opposition/Cross-Motion to Dismiss, pp. 13-14. Applicant’s allegations are false, but in any event, such allegations would be better suited to a counterclaim, a petition for cancellation of Opposer’s registrations, or perhaps a motion for summary judgment after the taking of evidence on this question. Applicant is in effect attacking the validity of Opposer’s registrations by alleging non-use, but a motion to dismiss is not the correct context in which to make such an attack: “An attack on the validity of a registration pleaded by an opposer will not be heard unless a counterclaim or separate petition is filed to seek the cancellation of such registration.” 37 CFR § 2.106(b)(2); *see also* TBMP § 313.01 (“The Board cannot entertain an attack upon the validity of a registration pleaded by a plaintiff unless the defendant timely files a counterclaim or a separate petition to cancel the registration”).

As noted *infra*, Opposer’s First Amended Notice of Opposition explicitly states that Opposer uses its UNCLE SAM trademark in the U.S., a fact further evidenced by Opposer’s having filed evidence of such use -- under oath -- with the Patent and Trademark Office in connection with obtaining and maintaining Opposer’s U.S. trademark registrations for such marks. *See* First Amended Notice of Opposition, ¶ 2. Given the Board’s obligation to accept Opposer’s factual allegations as being true for purposes of considering the Opposition/Cross-Motion to Dismiss, Applicant’s baseless claim should be rejected.

**(d) Opposer Has Not Made A Claim Under 15 U.S.C. § 1052(a)**

Applicant's lengthy, concluding argument that Opposer has not properly pleaded a claim for false suggestion of connection under 15 U.S.C. § 1052(a) misses an important point: Opposer has made no attempt to plead such a claim.

As Applicant notes, 15 U.S.C. § 1052(a) establishes a 'false suggestion of connection' cause of action which is separate from a 'likelihood of confusion' cause of action under 15 U.S.C. § 1052(d), but nowhere in either its original Notice of Opposition or its First Amended Notice of Opposition has Opposer referenced 15 U.S.C. § 1052(a).

Instead, as is made clear from Opposer's pleading itself and by the cover sheet for such pleading ("Grounds for opposition: Priority and likelihood of confusion, Trademark Act section 2(d)"), Opposer's claim is brought solely under 15 U.S.C. § 1052(d).

Applicant apparently has seized upon a phrase in Opposer's First Amended Notice of Opposition to the effect that Applicant's use of its mark "would falsely suggest a connection between Applicant and Opposer" due to the fact that Opposer has granted no authorization to Applicant to use its mark and because Opposer in fact has no connection to Applicant. First Amended Notice of Opposition, ¶ 11. Opposer freely acknowledges that such phrase would in itself be insufficient to plead a claim under 15 U.S.C. § 1052(a), but no such claim was intended, and Applicant's argument thus is moot.

**V. Conclusion**

For the reasons stated above, Opposer's Motion to Amend should be permitted and Applicant's Motion to Dismiss the First Amended Notice of Opposition should be

denied. Opposer's First Amended Notice of Opposition thus should be adopted as Opposer's operative pleading in this matter.

Date: November 4, 2014

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that he has this day served true and correct copies of this Reply in Support of Motion to Amend Notice of Opposition, along with any exhibits thereto, upon the Applicant's counsel of record by mailing the same via First Class mail, postage paid, to:

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SIGNED under the pains and penalties of perjury.

/Sean Ploen/  
Sean Ploen